



ROBINSON MCFADDEN
ATTORNEYS AND COUNSELORS AT LAW

203 4-4-05
ROBINSON, MCFADDEN & MOORE, P.C.

COLUMBIA | GREENVILLE

April 4, 2005

HAND DELIVERED

Mr. Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
101 Executive Center Drive
Columbia, SC 29210

Re: **DELTEL, INC.**
Docket No. 2004-358-C
Our File No. 04168-0001

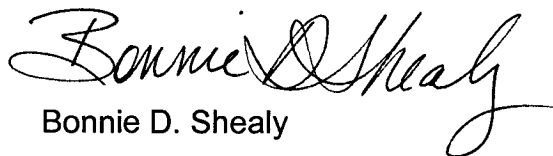
Dear Mr. Terreni:

The Office of Regulatory Staff requested that DELTEL provide updated financial statements for its application. Enclosed for filing please find Supplemental Exhibit D to the Application of DELTEL, INC., financial statements as of December 31, 2004. Please date-stamp the extra copies of the Exhibit as proof of filing and return them with our courier.

If you have any questions, please have someone on your staff contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.


Bonnie D. Shealy

/bds
Enclosure

cc/enc: Dan F. Arnett, ORS Chief of Staff (via email & U.S. Mail)
Wendy B. Cartledge, Esquire (via email & U.S. Mail)
Patrick D. Crocker, Esquire (via email)
Mr. Robert G. Huff (via email)
Ms. Beth Ronfeldt (via email)
Mr. Eddie Akragorn, ORS (via email)

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2005 APR -4 AM 11:22
SC PUBLIC SERVICE
COMMISSION

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

IN THE MATTER OF:

THE APPLICATION OF
DELTEL, INC. CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY TO
TRANSACT THE BUSINESS OF A RESELLER
OF INTEREXCHANGE TELECOMMUNICATION
SERVICES AND FOR MODIFIED ALTERNATIVE
REGULATION

DOCKET NO. 2004-358-C

RECEIVED
2005 APR -4 AM 11:22
SC PUBLIC SERVICE
COMMISSION

SUPPLEMENT EXHIBIT G
TO APPLICATION

FINANCIAL STATEMENTS

DeITel, Inc.
Balance Sheet
As of December 31, 2004

Dec 31, 04

ASSETS

Current Assets

Checking/Savings

Cal Fed Expense Account	1.29
CalFed Main Checking	258.42
Deposit Only Account	16.58
Petty Cash	700.00
UB - Deposit Only	7,257.35
UB - Expense Account	1,040.00
UB - Main	-8,704.27
UB - Savings	4,199.71

Total Checking/Savings 4,769.08

Accounts Receivable

Accounts Receivable 972,653.77

Total Accounts Receivable 972,653.77

Other Current Assets

Employee Advances	59,523.63
Inventory Asset	25,142.64
Non - Reimbursable Expenses	-854.20
Security Deposit	9,258.42

Total Other Current Assets 93,070.49

Total Current Assets 1,070,493.34

Fixed Assets

Accumulated Depreciation	-85,580.00
Computer Equipment	74,651.84
Software Costs	45,000.00
Telco Equipment	83,039.75

Total Fixed Assets 117,111.59

TOTAL ASSETS 1,187,604.93

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable 515,650.33

Total Accounts Payable 515,650.33

Credit Cards

Credit Card at American Express 15,660.99

Delta Sky Miles AMEX 5,948.77

Quickbooks Platinum Plus 462.01

Total Credit Cards 22,071.77

Other Current Liabilities

Accrued Expenses 571,034.34

DeITel, Inc.
Balance Sheet
As of December 31, 2004

	<u>Dec 31, 04</u>
Dell Loan 501-6143090-003	-766.39
Dell Revolving Account	<u>4,984.25</u>
Total Other Current Liabilities	<u>575,252.20</u>
 Total Current Liabilities	 1,112,974.30
 Long Term Liabilities	
end70 Loan	3,215.26
Powerteam Reserve	<u>160.00</u>
Total Long Term Liabilities	<u>3,375.26</u>
 Total Liabilities	 1,116,349.56
 Equity	
Capital Stock	50,000.00
Opening Bal Equity	687.89
Retained Earnings	-63,380.46
Net Income	<u>83,947.94</u>
Total Equity	<u>71,255.37</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>1,187,604.93</u></u>

DeITel, Inc.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Ordinary Income/Expense	
Income	
Fees	3,508.34
PBNext Call	-279.95
PBNext COGS	88,563.45
PBNext Monthly Fee	2,110,326.69
PBNext Setup Fee	93,729.99
Phones	
ST2112-PB Phone	5,410.32
Phones - Other	1,275,689.99
Total Phones	<u>1,281,100.31</u>
Sales	26,000.00
Services	
hosting - non eBay	15,800.00
hosting - with eBay	12,145.00
Services - Other	180,768.14
Total Services	<u>208,713.14</u>
Software Sales	3,260.00
VoiceCast Dials	70,820.77
VoiceCast Setup	3,500.00
Total Income	<u>3,889,242.74</u>
Cost of Goods Sold	
Cost of Goods Sold	1,125,732.62
PBNext Phone	-12,569.04
Total COGS	<u>1,113,163.58</u>
Gross Profit	2,776,079.16
Expense	
Automobile Expense	37,141.49
Bank Service Charges	
Merchant Account Fees	74,277.39
UNIM - NSF FEES	1,026.00
Bank Service Charges - Other	3,229.23
Total Bank Service Charges	<u>78,532.62</u>
Depreciation Expense	51,636.00
Dues and Subscriptions	6,684.39
Equipment Rental	
Equipment Lease	949.24
Equipment Rental - Other	86,869.84
Total Equipment Rental	<u>87,819.08</u>
Gifts	2,386.70
Insurance	
Liability Insurance	1,929.00
Work Comp	2,509.63

DeITel, Inc.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Insurance - Other	46,905.34
Total Insurance	51,343.97
 Interest Expense	
Finance Charge	530.98
Interest Expense - Other	4,319.35
Total Interest Expense	4,850.33
 Licenses and Permits	
Tarriffing	34,657.00
Licenses and Permits - Other	651.00
Total Licenses and Permits	35,308.00
 Miscellaneous	2,171.68
Office Supplies	5,351.77
Outside Services	
Customer Service	166,647.50
DNR	-2,000.00
eBay API	2,786.96
Hosting Commission	232.50
Telco Tax Services	15,326.15
TPV	250.00
Outside Services - Other	136,721.99
Total Outside Services	319,965.10
 Payroll Expenses	650,681.12
PBNext Commississions	
UNIMPBNext Recurring Commissoin	487,242.38
UNIMPBNext Setup Fee Commission	207,164.15
PBNext Commississions - Other	10,021.12
Total PBNext Commississions	704,427.65
 Postage and Delivery	39,898.49
Pre Pay Discount	480.00
Printing and Reproduction	35,079.38
Professional Fees	
Legal Fees	65,668.58
Total Professional Fees	65,668.58
 Rent	105,424.00
Repairs	1,107.99
Software	17,013.50
Taxes	
Property	1,041.36
State	945.00
Taxes - Other	2,667.63
Total Taxes	4,653.99
 Telco Taxes	
USF	0.54

DelTel, Inc.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Telco Taxes - Other	17,907.76
Total Telco Taxes	17,908.30
Telecommunication	
Co-Location	48,336.59
Internet T1	7,910.12
Local PRI	21,253.83
MFS - DS1	1,183.22
MFS - DS3	10,837.97
Resporg Fees	24,981.40
Usage	170,969.06
Telecommunication - Other	7,374.84
Total Telecommunication	292,847.03
Telephone	
Cellular	13,557.00
Telephone - Other	5,579.45
Total Telephone	19,136.45
Trade Show Expense	11,032.87
Travel & Ent	
Entertainment	1,736.57
Meals	20,486.08
Travel & Ent - Other	23,923.51
Total Travel & Ent	46,146.16
Utilities	
Water	2,724.29
Total Utilities	2,724.29
Total Expense	<u>2,697,420.93</u>
Net Ordinary Income	78,658.23
Other Income/Expense	
Other Income	
Interest Income	51.34
Other Income	5,000.00
Total Other Income	5,051.34
Net Other Income	<u>5,051.34</u>
Net Income	<u><u>83,709.57</u></u>